

Broker DESIGNATION Agreement

_____ (“Broker/Agency”) and

_____ (“Client”) agree as follows:

1. Client engages Broker to perform the following services covered under this agreement: 1) Pre-Enrollment (benefit plan options, costs and cost sharing options, if applicable, reviewing competitive trends, employer strategy for benefit choices/costs), 2) Enrollment (determining open enrollment calendar and communications, holding meetings to explain benefit options, assisting employees/individuals with enrollment), 3) Post-Enrollment (assistance resolving ongoing billing issues, ongoing enrollments changes).
2. Client agrees to designate Broker on the State’s Vermont Health Connect (VHC) system and recognizes this system as the source of data that initiates Broker payments and as the source of enrollment data.
3. Broker shall act as Client’s exclusive agent for the purposes designated in this agreement. Employer/individual shall be under no obligation to employ Broker except with regard to covered services as defined above. This agreement between the broker and client supersedes, takes precedence over, and may not be modified by any other agreement.
4. This agreement’s term shall begin on the date it is signed by both parties and shall end on December 31, 2014, representing the annual calendar period for which enrollment assistance may be received and shall be renewed automatically until December 31 of each year thereafter, until cancellation by either party.
5. This agreement may not be canceled during its first twelve months except upon consent of both parties. After the first twelve months, this agreement may be canceled for any reason by either party upon 30 days written notice. Cancellation shall not in itself relieve any liability for fees due for services rendered and complete at the effective time of cancellation.
6. Broker represents that Broker is or will be registered with the Vermont Health Connect at the time of enrollment and thereby authorized for all purposes covered by this agreement.
7. Broker shall not request, receive or accept any compensation in any form, directly or indirectly, with relation to services rendered pursuant to this agreement, except as specifically and expressly provided for in this agreement.

8. In consideration for Broker's Services, Client will be charged a fee consistent with the Vermont Health Connect Broker Compensation Schedule, which is hereby incorporated into this agreement by reference as Attachment A.
9. Prior to execution of this agreement, Broker has provided Client a copy of the currently effective Vermont Health Connect Broker Compensation Schedule, Attachment A. Client understands that the Schedule may be subject to change in future years by the Exchange, and fees due for services rendered under this agreement shall be according to the Schedule in effect at the time those services are rendered and complete.
10. Terms of billing, payment and collection of payment for services rendered under this agreement shall be according to Third Party Administrator standard business practice, provided that Broker shall assess no charge of any kind against client other than what is provided for in the Broker Compensation Schedule (for services as outlined in Item #1), except for fees for late payment. Violations of this agreement, which may include the charging of fees in addition to or in excess of what is allowed by the Broker Compensation Schedule, should be reported to the Vermont Health Connect and the Department of Financial Regulation, which licenses and regulates Brokers as producers. Penalties for such violations may include immediate cancellation of Broker's registration and authority to provide services relating to the Exchange.

This agreement shall be governed by the laws of the State of Vermont.

Client or Representative
(print name)

Broker
(print name)

Employer Name (if applicable)

Broker Agency Name

Signature

Signature

Date

Date

ATTACHMENT A

Broker Compensation Schedule

June 25, 2013

Announcing Vermont Health Connect Broker Compensation

Health insurance brokers will play an important role in facilitating the purchase of health coverage for small employers and individuals on Vermont's health benefit exchange, Vermont Health Connect.

Vermont Act 171 of 2012 gave the Department of Vermont Health Access (DVHA) the duty to establish a standard fee or compensation schedule that allows licensed brokers to be appropriately compensated for assisting eligible employers and individuals to enroll into qualified health plans offered on the exchange. These broker fees are to be separate from premiums charged for qualified health plans. This memo announces the fee schedule that will apply to brokers for services on Vermont Health Connect.

DVHA commissioned an employer survey in mid-2012 that provided feedback on fees that employers would likely pay for broker services, and we have been receiving additional feedback from both employers and brokers since Fall 2012. On June 3, 2013, DVHA presented a formal broker fee proposal to the Medicaid & Exchange Advisory Board and opened a public comment period until June 11. We received and reviewed numerous comments.

After consideration of all input received, I have determined the 2014 broker fee schedule to be \$20 per month for each employee or individual designating a registered broker and receiving assistance to enroll into a qualified health plan offered on Vermont Health Connect. This \$20 fee is a total fee and inclusive of any ongoing costs related to invoicing and collection. This fee level will apply to calendar year 2014 only. A broker fee schedule applying to 2015 or beyond will be considered during the first half of 2014 and announced no later than July 1, 2014.

In addition to establishing the broker fee schedule, the State will support the broker community with extensive training to fully prepare them for this important transition. We look forward to and welcome the key role brokers will play in Vermont Health Connect.

Sincerely,



Mark Larson
Commissioner
Department of Vermont Health Access